

EXHIBIT 1

**Plaintiffs' More Definite Statement as to
Defendant Vakufska Banka**

1. Plaintiffs hereby incorporate all allegations and counts contained in the Third Amended Complaint in Burnett, et al. v. Al Baraka Investment and Development Corp., et al., 03 MD 1570 (RCC), 03 CV 5738 & 03 CV 9849.

Organizational Structure and Purpose of Vakufska Banka

2. Vakufska Banka D.D. (aka Vakufska Bank) is registered in Sarajevo, Bosnia Herzegovina, with an address at Ferhadija 2, 71000, Sarajevo, Tel: +387 71 470903, Fax: +387 71 200597.

3. Vakufska was founded in 1992 in Sarajevo, and is currently chaired by Amir Rizvanovic, serving as General Director.

4. In 2002, Vakufska Banka reported a capital of 16.4 million KM (\$9,300,000 US), while its total assets raise 55,920,000 KM (\$28,670,000 US) for the same year.

5. In August 2002 the Bosnian Federal Banking Agency authorized the merger of Vakufska Banka and Depozitna Banka.

6. Vakufska Banka D.D. ("Vakufska") has supported, facilitated and participated in terrorism financing on the territory of Bosnia Herzegovina.

7. Among other shareholders of the banks that have supported terrorism in the past, Vakufska was funded by two Specially Designated Global Terrorists (SDGT): Yasin Al Kadi and Chafiq Ayadi.

8. Another main shareholder is the Saudi-controlled offshore company based in the Isle of Man, and their main shareholder is a member of the Saudi royal family, Prince Abdulaziz Bin Ahmed Bin Abdulaziz Al Saud, nephew of King Fahd (deceased) and son of Ahmed Bin

Abdulaziz Al Saud, the Saudi Deputy Minister of Interior.

9. Prince Abdulaziz is Chairman of several companies in Saudi Arabia, including Tihama for Advertising and Nesma.

10. Nesma is the principal shareholder of Vakufska Banka in Bosnia through Mahmal Investment Co., an Isle of Man company settled by Nesma.

11. Vakufska has provided financial support to several organizations acting as fronts for Al-Qaida, including Muwafaq Foundation, SDGT Al Haramain Islamic Foundation and the Saudi High Commission for Relief in Bosnia Herzegovina.

12. Depozitna Banka D.D. was a private bank owned by Yasin al Kadi (44.3%) and Mahmal Investments Company based in the Isle of Man (44.2%). The entity was under Bosnian and foreign investigation for years. The official documentation dated 2000 from Depozitna Banka D.D. , based in Vrazova 9, Sarajevo, shows that Yasin al Kadi was the first shareholder of the bank.

Merger of Vakufska Banka D.D. and Depozitna Banka D.D.

13. The shareholding structure of Depozitna Banka D.D., as of December 31, 2000 (Before merging with Vakufska Banka D.D.), was as follows:

Name	Percentage of shares held
Yasin Kadi	44.3%
Mahmal Invest Co Limited	44.2%
BH Banka Sarajevo	2.4%
BH Osiguranje	2.1%
Centralexport Sarajevo	1.3%

The shareholding structure of Vakufska Banka for years 2000 (before merger) and 2001 (post merger) was the following (note that total percentage does not equal 100%) :

Name	% of shares in 2000	% of shares in 2001
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Individual investors	29%	36.6%
Mahmal Investment Co Limited	-	21.1%
Fondacija Bosnjaci Mostar	18%	8.8%
Finance Ministry	74%	6.9%
Rijaset Islamske Zajednice BiH	11%	5.1%
Tarik El Oil d.o.o. Sarajevo	8%	-

14. Since October 2001, Yasin al Kadi (aka Yassin Qadi, Yasin al-Qadi), is labeled by the U.S. Treasury, as a Specially Designated Global Terrorist (SDGT) and his assets are frozen in the U.S. and Europe. Yasin al Kadi is at the center of various financial schemes through his company “Qadi International” and financial activities in the Balkans.

15. Yasin al Kadi is one of the six directors of Muwafaq Humanitarian Organization, an organization that provided assistance to the Al-Qaida network.

16. In June 1998, Yasin al Kadi was named in an FBI report on money laundering for the foreign terrorist organization Hamas.

17. Muhammad, Chafiq Ayadi (Aka. Ayadi Shafiq, Ben Muhammad; Aka. Ayadi Chafik, Ben Muhammad; Aka. Aiadi, Ben Muhammad; Aka. Aiady, Ben Muhammad), (01/21/63 Safais, Tunisia) , took part in activities of Depozitna Banka and became in 1996 co-owner of Depozitna Banka in Sarajevo .

18. Chafiq Ayadi is a Tunisian national but also holds Bosnian citizenship. Chafiq Ayadi was a business associate of Yasin al Kadi.

19. Chairman of Muwafaq Foundation in Zagreb, Croatia, Chafiq Ayadi is on the list of Specially Designated Global Terrorists, pursuant to Executive Order 13224.

20. In April 1996, a sum of USD 500,000 was transferred to the SKB account of Bin Muhamad Chafiq Ayadi by a Saudi national, Salem Bin Mahfouz (believed to be Khalid Bin Salem Bin Mahfouz).

21. Chafiq Ayadi became the majority owner of Depozitna Banka on July 27, 1995. Chafiq Ayadi accounts have been recently investigated by Croatian financial police on terrorism charges.

22. While Chafiq Ayadi was the co-owner of Depozitna Banka, he transferred through the bank DM 2.5 million to the account of the Muwafaq Foundation. Chafiq Ayadi also became the co-owner of Euroinvest D.O.O. in Sarajevo which shared the same address as Depozitna Banka. The second co-owner of Euroinvest D.O.O. used to be Yasin al-Kadi, who was also co-owner of Depozitna Banka and became co-owner of Vakufska Banka .

23. Chafiq Ayadi left Depozitna Banka in September 2000, selling his shares to Yasin al Kadi.

24. On March 30, 2001, the Banking Agency rescinded the Depozitna Banka's permit, and the bank merged with Vakufska Banka.

25. Euroinvest D.O.O., based in Bosnia with an address at Ulica Armije BH bb, 75264 Lukavac, was one of the most regular contributors to Al Haramain Al Masjed Al Aqsa charitable foundation during the 2000-2001 period .

26. Based on al-Kadi's previous shares in "Depozitna Banka", he should earn 20% of the shares of Vakufska Banka, nominally worth 3.2 million KM (\$1,815,000 US).

27. According to intelligence sources, Yasin al Kadi is still co-owner of Vakufska Banka through another Sarajevo front company. Yasin al Kadi was already the main shareholder into Depozitna Banka when the entity merged with Vakufska Banka.

28. During years, Depozitna Banka and then, Vakufska Banka, were owned by Saudi businessman Yasin Al Kadi, under US investigation for terrorism charges and by a Saudi

shadow company called Mahmal Investment Company, currently under Bosnian investigation by the FOSS, Financial Police and Federal Banking Agency.

29. Additionally, according to the official registry of Vakufska Banka shareholders, El Tarik Oil D.O.O., an oil company based in Sarajevo, was also shareholder with 8% of Vakufska Banka capital in year 2000.

30. A documented report from the Bosnian Financial Police indicates in 2002 that El Tarik Oil D.O.O. is a regular provider for the Saudi High Commission and al Haramain al Aqsa foundation in Sarajevo, both involved in logistical support to al-Qaida.

31. Other shareholders of the Vakufska Banka include a foundation called “Fondacija Bosnjaci Mostar” and “Rijaset Islamke Zajednice”. Their shares were respectively 18% and 11% in year 2000. Both foundations receive donations from abroad, and particularly from Saudi Arabia. Nezim Halilovic Muderis, director of Wakf Directorate of the BiH Islamic Community that is responsible for these foundations, is a preacher at the Sarajevo King Fahd Bin Abdulaziz Al Saud Mosque.

Rijaset Islamke Zajednice (Translation: Islamic Community of Bosnia Herzegovina)

32. Rijaset Islamke Zajednice, or Islamic Community of Bosnia Herzegovina publishes the monthly “Preporod” (Renaissance). In one of its issues in May 1992, the newspaper stressed the “virtues of the Islamic warfare” to the fighters for the independent and multinational Bosnia and Herzegovina, advising them “to purify themselves so that they could feed on the Divine spring”. In the text entitled “We feel no fear”, Preporod gave these pieces of advice in a text which looks remarkably similar to Mohamed Atta’s last instructions to the September 11 hijackers:

“Set out to the battle with pure intentions and full confidence in Allah - if you survive, you will become heroes; if you are killed, you will be martyrs, otherwise - you will lose both and be humiliated; if possible, start off with ablutions, but always with God's name in your heart and on your lips; you must never leave unwashed (after nocturnal emission or marital intercourse) for such person could cause adversity both to himself and others; during your assault at or confrontations with the enemy, utter the cries "Allah ekber!"; if possible, carry the Koran with you”.

Mahmal Investment Co. Limited

33. Mahmal Investment Co. Limited, main institutional shareholder of Vakufska Banka, was incorporated as a private company with a capital of £1,000 on July 7, 1999 in Douglas, Isle of Man, by PBC Corporate Services Limited (24 Athol Street, Douglas, Isle of Man).

34. Vakufska Banka has always refused to provide details about Mahmal Investment Co. Limited.

35. Mahmal Investment Co. Limited is managed from the Isle of Man by high ranking Saudi businessmen to conduct investments in Bosnia Herzegovina through Islamic Banking projects.

36. The main shareholder of Mahmal Investment Co. Limited is a Saudi company, Nesma Holding Co. Limited, Po Box 7195, Jeddah 21462, Saudi Arabia, holding 4,390 shares over a total of 10,000 shares in Mahmal Investment Co. Limited.

37. Nesma Holding Co. Limited is the financial holding of the Nesma Group of Companies, located at the same address in Jeddah, Saudi Arabia.

38. The Chairman of the Nesma Group of Companies is Prince Abdul Aziz Bin Ahmad Bin Abdul Aziz al Saud, nephew of King Fahd Bin Abdulaziz al Saud and son of Ahmad Bin Abdul Aziz al Saud, Saudi deputy minister of Interior.

39. Abdul Aziz Bin Ahmad Bin Abdul Aziz al Saud is also on the board of executives of Tihama Advertising, Public Relations and Marketing Company, based in Jeddah, Saudi Arabia (Po Box 5455).

40. Tihama Advertising, Public Relations and Marketing Company, a subsidiary of the Dallah Al Baraka Group, has been reported in 1999 as financial support for the activities of al-Qaida . Moreover, Khalid Bin Mahfouz, was also partner with Hamad al-Zamil (son of Mohamed Abdullah Al-Zamil, Chairman of Al Zamil Group), inside Tihama Advertising, Public Relations and Marketing Company.

41. Abdul Aziz Bin Ahmad Bin Abdul Aziz al Saud is also the founder of the Pan Arab African Council of Ophthalmology along with Dr Mohammed Akef El-Maghraby. Akef El-Maghraby professional phone number and details appearing under the references of the Al Noor Eye Foundation (a/k/a Al Noor Foundation, Jeddah, Saudi Arabia) have been found by the Spanish Police in Muhammad Galeb Kalaje Zouaydi's address book seized by the Spanish authorities .

42. Abdul Aziz Bin Ahmad Bin Abdul Aziz al Saud is the father of Nayef Bin Ahmad, official at the Royal Saudi Air Force (RSAF).

Relationship between Mahmal Investment Co. Limited & Nesma Group

43. The Nesma Group, with 10,000 employees, is a diversified company, active in telecommunications, marine, civil and electrical engineering. For year 2002, Nesma Group of companies raised incomes in an amount of \$399,982,000 . The Nesma Group provides in its website references for its reputation, as the American Embassy in Riyadh, Saudi Arabia .

44. Nesma Group investments in the United States include ownership of Logix Corporation USA (369 Passaic Ave., Suite 208 Fairfield, NJ 07004, USA), a manufacturer, dealer, and systems integrator for defense products and systems.

45. Logix has several contracts with the US Defense Department, including the US Air Force. Logix is also supplier of the Saudi defense ministry, providing defense products and services to the Royal Saudi Air Defense Command and Hawk program.

46. Nesma also has a partnership with security firm Group 4 – Securitas. In September 1999, Group 4 holding in the United States has been awarded the Access Control Program of the Pentagon building.

47. In May 1998, in an agreement that was referred as “the first of the kind in the Kingdom”, the Saudi National Commercial Bank (NCB) signed a letter of credit of SR 150 million to Nesma.

48. Among the other shareholders of Mahmal Investments Co. Limited, are Khalid Abdul Aziz Al Turki and Saleh Ali Al Turki. They act in the Mahmal legal status as personal entities but indeed, are also involved in the Nesma Group of Companies. Saleh Ali al Turki is President of the Nesma Group of Companies while Khalid Abdul Aziz is member of the board. Both are shareholders of the company .

49. Saleh Ali Al Turki serves as Director of Mahmal Investment Co. Limited. Apart from his directorship in the Nesma Group of Companies, he is member of the board of ARK Financial Group and Saudi Industrial Development Companies.

50. Saleh Ali al Turki is Chairman of Saudi Industrial Development Companies (PO Box 12105, Jeddah 21473, Saudi Arabia Tel: +966 (2) 665 1444), which raised incomes for year 2002 in the amount of \$98,317,000. On the board of the Saudi Industrial Development

Companies are Soliman Ahmed Mosly and Mohammed Abdulkader Al-Fadl, both shareholders of Mahmal Investment Co. Limited.

51. Member of the board of Mahmal Investment Co. Limited and shareholder, Mohammed Abdulkader Al-Fadl is also chairman of Alpha Trading & Shipping Agencies Ltd, located at Al Mahmal Tower, King Abdul Aziz Street, Al Balad, Jeddah 21411, Saudi Arabia. The company recorded revenues for 2002 in amount of \$186,658,000 US.

52. Mohammed Abdulkader Al-Fadl is Chairman of Al Fadl Group (Al Fadl Group, PO Box 15, Jeddah 21411, Saudi Arabia, Tel: +966 (2) 660 3996; +966 (2) 667 2653), with 3,200 employees and revenues of \$453,313,000 US.

53. Mohammed Abdulkader Al-Fadl also formed a joint venture with the Saudi Binladin group called Alfadl Bin Laden J & P Ltd.

54. Member of the board of Mahmal Investment Co. Limited and main shareholder with 4390 shares over 10,000 in May 2003, is Faisal M.S.O. Binzagr, who also serves as an executive board member of Quadriga Holdings Limited, located at Mayflower House, 45 Neal Street, London WC2H 9PJ with annual revenues in an amount of \$19,398,000. Faisal M.S.O. Binzagr is also executive director of Quadriga Holdings Ltd subsidiary Arabian Resource Management Limited.

55. Soliman Ahmed Mosly, is board member and shareholder in Mahmal Investment Co. Limited and is also member of the board of the Saudi Industrial Development Companies. Soliman Ahmed Mosly is also General Director of Mosly Soleman A. Establishment for Trade and contracting, based in Jeddah, Saudi Arabia (Po Box 446).

56. All these Saudi businessmen participated directly and actively in the management of Mahmal Investment Co. Limited and in the shareholding structure of Deposita Banka and

Vakufska Banka in Bosnia Herzegovina. Mahmal Investment Co. Limited has been and is still under investigation in the US and in Bosnia.

57. All of these shareholders are acting together in Saudi Arabia in a company called the Jeddah Holding Company for Developments (Po Box 6967, Jeddah 21452, Saudi Arabia), which Board of Directors includes Saleh Ali Alturki (Managing Director), Saleh Abdullah Kamel, Mohammed Abdulqader Alfadl, Soliman Ahmed Mosly and Yahya Mohammed Bin Laden.

Connections to Al-Qaida and terrorism

58. The involvement of Yasin Al Kadi and Chafiq Ayadi in both Depozitna Banka and Vakufska Banka with the financial backing of Mahmal Investment Co. Limited, has provided for years a financial arm to Islamic charities and terrorist organizations operating in Bosnia Herzegovina.

59. In 2002, an intelligence report from the Bosnian Intelligence Services (AID-Agency for investigation and Documentation) revealed the active role of Vakufska Banka D.D. in terrorism funding. Indeed, AID described Vakufska Banka D.D. and the merged Depozitna Banka D.D., as a financial platform assisting al Haramain Islamic Foundation and al-Qaeda activities:

“The HO (al Haramain) spent around 13 KM (\$7,647,000) between its foundation in 1997 and the end of last year 2000. Financial transactions were through accounts at the Depozit[na] Bank, now the Vakufska Bank, whose major shareholders have been linked with PIS operating illegal money laundering”.

The Bosnian Intelligence memo regarding the activities of Al Haramain states the following:

“Given all the above security factors, we believe that the clear lack of any concrete humanitarian projects indicates that the existence of this HO [Humanitarian Organization] was a fictitious cover (...)”

The report establishes Al Haramain's role in financing and assisting Osama Bin Laden operations.

“Saudi HO [Humanitarian Organization] Al Haramain, (...) has acted as a channel for financing the activities of terrorist organizations. (...) According to available intelligence, the Sarajevo office assisted the terrorist organization Gama Al Islamiya, while members of Bin Laden's El Itihad al Islamiya (AIAI) terrorist groups were employed at the Somalia offices, which also financed their operations.”

60. In March 2002, during the Anti-terrorism operations in Bosnia, the new Vakufska Banka's director, Amir Rizvanovic recognized that Al Haramain was an active client of Vakufska Banka, while Nurudin Kusturica (bank's director for nine years) left the bank since the discovery that a former co-owner of Depozitna Banka and current co-owner of Vakufska Banka was on the list of SDGTs for supporting terrorism.

61. Sulejman Vranj is a Bosnian Army Brigadier General and the former chief of the Personnel Office of the BH Federation Army's Joint Command. On February 2, 2002, US General John Sylvester, as SFOR Commander, banned General Vranj to work in any military service “because of his participation in protests during the extradition of the Algerian Group to the US”. The Algerian group was part of Al-Qaeda, and since then, General Vranj has been engaged in the Board of directors of Vakufska Banka.

62. According to Bosnian Financial Police documentation, Vakufska Banka is involved in terrorism financing through financial transactions between the Saudi High Commission for Relief and a company named Engra, managed by Balta Edin.

63. Balta Edin, director of the firm “Engra,” D.O.O., Zenica, submitted false information about legally earned income of the firm in 1998, 1999, and 2000, of the income that he, as the firm's representative, personally received in cash from a customer at the foreign humanitarian organization Saudi High Commission for Relief.

64. These money laundering transactions were operated between Engra D.O.O. headed by Balta Edin, the Saudi High Commission for Relief, convicted of funneling money to al-Qaeda operatives in Bosnia, and Vakufska Banka.

65. From 1998 to 2000, Engra D.O.O. conducted financial transactions on behalf of an organization linked to UBL through the following bank accounts: account 1604205500000502, opened with DD "Vakufska Banka," Sarajevo, Zenica Branch and account 1602000000869046 (from 04/08/2002), opened with DD "Depozitna Banka" Sarajevo.

66. For years, either Depozitna Banka or Vakufska Banka have been associated with the funding of Islamic projects in BiH.

67. According to the report by the Bosnian Ambassador to the UN, Mirza Kusljagic provided to the UN Security Council's Counter-Terrorism Committee (CTC), a special investigation has been conducted in Bosnia to check the funds and assets of suspected individuals and agencies, which led to the freezing of two accounts in Vakufska Banka, the account of a citizen of Saudi Arabia [Yasin al Kadi] which amounted to 3.5 million DM as well as the account of an Investment Company from the Middle East [Mahmal Investment Co. Limited] which also amounted to 3.5 million DM.

68. Vakufska Banka has several partners in Europe and especially in Turkey, where the Bosnian bank is above all the main correspondent of Al Baraka Turkish Finance House, known to be connected to the Spanish cell of al-Qaida.

69. Mohamed Galeb Kalaje Zouaydi, financial head of al-Qaida in Spain, and financier of the Hamburg cell, transferred to UBL Courier for Europe, Mohamed Baiahah (aka Abu Khaled), \$97,000 US on July 2000, through al Baraka Turkish Finance House in Turkey .

According to Spanish police documentation, Muhamed Galeb Kalaje Zouaydi used Al Baraka Turkish Finance House on several occasions to transfer money to al-Qaida operatives.

70. Regarding the activities of Al Baraka Turkish Finance House in Bosnia, the long-term inquiry conducted by Bosnian intelligence revealed that Al Baraka Bank provided support to Al Haramain operations and helped transfer funds for Osama Bin Laden operations. The Agency for investigation and Documentation – AID - gives further details in a memorandum titled “ Some illegal activities of humanitarian organizations investigated by the relevant investigative bodies of the Federation of Bosnia Herzegovina (FbiH)” :

“Records available for 1998 show a flow of money into the so-called “operating” account of the HO [Humanitarian Organization] at the Deposit Bank, Sarajevo, from the “main” account, sent from Saudi Arabia via the Deutsche Bank and the Albaraka Bank in Turkey. The amount is 1,059,687 DEM [\$2.13 million US]”.

71. Al Baraka Turkish Finance House, Al Baraka branch in Turkey is a subsidiary of the Dallah Al Baraka group .